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SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS

Draft resolution submitted by the Chairman following informal consultations

The General Assembly,

Recalling its previous resolutions and decisions on the scale of assessments, in particular resolutions 48/223 B and C of 23 December 1993,

Having considered the reports of the Committee on Contributions,[1]

Reaffirming the fundamental principle that the expenses of the Organization should be apportioned broadly according to capacity to pay,

1. Requests the Committee on Contributions to present to the General Assembly at its fifty-second session eight proposals for a scale of assessments for the period 1998-2000 as follows:

(a) A proposal based on the methodology used for the scale of assessments for the period 1995-1997;

(b) A proposal to include the following elements and criteria:

(i) The scale to be based on estimates of gross national product, as a first approximation of the capacity to pay, and subject to adjustment for factors identified by the General Assembly;

[1] A/50/11 and Add.2.

(ii) A statistical base period of six years;

(iii) Uniform exchange rates, in accordance with the criteria contained in paragraph 3 (b) of resolution 46/221 B of 20 December 1991;

(iv) The debt adjustment approach used in the preparation of the scale of assessments for the period 1995-1997;

(v) A low per capita income allowance formula with a per capita income limit of the average world per capita income for the statistical base period and a gradient of 85 per cent;

(vi) A minimum assessment rate of 0.001 per cent;

(vii) A ceiling rate of 25 per cent;

(viii) The phase-out of the scheme of limits in accordance with resolutions 48/223 B and 49/19 B of 23 December 1994;

(ix) The scale of assessments to be expressed to three decimal places of a percentage point;

(x) In phasing out the scheme of limits, the allocation of additional points resulting therefrom to developing countries benefiting from its application to be limited to 15 per cent of the effect of the phase-out;

(xi) Individual rates of assessment for the least developed countries not to exceed the current level of 0.01 per cent;

(c) A proposal to include the following elements and criteria:

(i) Use of gross national product instead of net national income;

(ii) A statistical base period of six years;

(iii) The debt adjustment approach and low per capita income allowance formula used in the preparation of the scale of assessments for the period 1995-1997;

(iv) A floor rate of 0.001 per cent and a ceiling of 25 per cent;

(v) The scale of assessments to be expressed to three decimal places of a percentage point;

(vi) Market exchange rates to be used for the purpose of the scale, except where this causes excessive fluctuations or distortions in the income of some Member States, when price-adjusted rates of exchange or other appropriate conversion rates, such as uniform exchange rates, in accordance with the criteria contained in paragraph 3 (b) of General Assembly resolution 46/221 B, are to be employed;

(vii) Individual rates of assessment for the least developed countries not to exceed the current level of 0.01 per cent;

(viii) The scheme of limits to be phased out in accordance with paragraph 1 (f) of General Assembly resolution 48/223 B, and the allocation of additional points resulting therefrom to developing countries benefiting from its application to be limited to 15 per cent of the effect of the phase-out;

(d) A proposal to include the following elements and criteria:

(i) The scale to be based on data on gross national product;

(ii) A statistical base period of three years, with automatic annual updating;

(iii) A ceiling rate of 20 per cent;

(iv) A minimum assessment rate of 0.001 per cent;

(v) The scale of assessments to be expressed to three decimal places of a percentage point;

(vi) Use of market exchange rates, except where this causes excessive fluctuations or distortions in the income of some Member States, when price-adjusted rates of exchange or other appropriate conversion rates are to be employed;

(vii) Setting the low per capita income relief gradient at 75 per cent;

(viii) Non-eligibility of permanent members of the Security Council for relief based on low per capita income;

(ix) The scheme of limits to be phased out in 1998 and the allocation of additional points resulting therefrom to developing countries benefiting from its application to be limited to 15 per cent of the effect of the phase-out;

(e) A proposal to include the following elements and criteria:

(i) The scale to be based on data on gross national product, as a first approximation of capacity to pay;

(ii) A statistical base period of six years;

(iii) Uniform exchange rates, in accordance with the criteria contained in paragraph 3 (b) of resolution 46/221 B;

(iv) Debt adjustment to be based on actual principal payments;

(v) A low per capita income allowance formula with a per capita income limit of the average world per capita income for the statistical base period and a gradient of 75 per cent;

(vi) A minimum assessment rate of 0.001 per cent;

(vii) A ceiling rate of 25 per cent;

(viii) Individual rates of assessment for the least developed countries not to exceed the current level of 0.01 per cent;

(ix) The effect of the scheme of limits to be phased out in equal instalments by the year 2000 and the allocation of additional points resulting therefrom to developing countries benefiting from its application to be limited to 15 per cent of the effect of the phase-out;

(x) Non-eligibility of permanent members of the Security Council for a low per capita income allowance in calculating their scale of assessments for the regular budget;

(f) A proposal to include the following elements and criteria:

(i) Use of data on gross national product;

(ii) A statistical base period of three years, with automatic annual recalculation;

(iii) Exchange rates in accordance with the following criteria:

a. Market exchange rates obtained from the International Monetary Fund for all Member States that are members of the Fund;

b. Exchange rates based on the technical advice of the International Monetary Fund for Member States that are not members of the Fund;

c. United Nations operational rates for Member States for which criteria (i) and (ii) above are not applicable;

d. Price-adjusted rates of exchange or other appropriate conversion rates where the use of rates consistent with (i) to (iii) above would cause excessive fluctuations or distortions in the income of some Member States;

e. The Committee on Contributions to provide detailed explanations for exchange rates not based on criteria (i) to (iii) above;

(iv) No adjustment for external debt;

(v) A low per capita income allowance formula with a per capita income limit of the average world per capita income for the statistical base period and a gradient of 75 per cent;

(vi) The scale of assessments to be expressed to three decimal places of a percentage point;

(vii) A minimum assessment rate of 0.001 per cent;

(viii) A maximum assessment rate of 25 per cent;

(ix) No maximum assessment rate for the least developed countries;

(x) The scheme of limits to be fully phased out as at 1 January 1998;

(g) A proposal to include the following elements and criteria:

(i) Estimates of gross national product, as a first approximation of capacity to pay, and subject to adjustment for factors identified by the General Assembly, as recommended by the Committee on Contributions in paragraph 28 of its report;[2]

(ii) A statistical base period of three years;

(iii) Conversion rates as recommended by the Committee on Contributions in paragraph 38 of its report;[2]

(iv) The debt adjustment approach proposed by the Committee on Contributions in paragraph 41 of its report;[2]

(v) A low per capita income allowance formula with a per capita income limit of the world average per capita income for the statistical base period and a gradient of 85 per cent below the limit, the additional points resulting therefrom to be absorbed progressively by countries with a per capita income above the limit, using a gradient of 25 per cent;

(vi) No floor rate;

(vii) A ceiling rate of 25 per cent;

(viii) The remaining effect of the scheme of limits to be phased out completely with effect from 1 January 1998, in accordance with paragraph 1 (f) of resolution 48/223 B;

(ix) The scale of assessments to be expressed to four decimal places of a percentage point;

(x) Individual rates of assessment for the least developed countries not to exceed the current level of 0.01 per cent;

(h) A proposal to include the following elements and criteria:

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[2] A/50/11/Add.2.

(i) The scale to be based on data on gross national product;

(ii) A statistical base period of nine years;

(iii) The debt adjustment approach used in the preparation of the scale of assessments for 1995-1997;

(iv) The low per capita income allowance formula used in the preparation of the scale of assessments for 1995-1997, but excluding automatic application of the surtax for countries that cross the threshold until 10 years after the country has crossed the threshold;

(v) A minimum assessment rate of 0.001 per cent;

(vi) A ceiling of 25 per cent;

(vii) The scale of assessments to be expressed to three decimal places of a percentage point;

(viii) Market exchange rates to be used for the purpose of the scale, except where this causes excessive fluctuations or distortions in the income of some Member States, when price-adjusted rates of exchange or other appropriate conversion rates, such as uniform exchange rates, in accordance with the criteria contained in paragraph 3 (b) of General Assembly resolution 46/221 B are to be employed;

(ix) A maximum individual rate of assessment of 0.01 per cent for the least developed countries;

(x) The scheme of limits to be phased out, in accordance with paragraph 1 (f) of General Assembly resolution 48/223 B, and the allocation of additional points resulting therefrom to developing countries benefiting from its application to be limited to 15 per cent of the effect of the phase-out;

and to make appropriate recommendations thereon;

2. Decides that, notwithstanding the provisions of paragraph 1, the Member State that is the subject of decision 50/471 B of 23 December 1995 should not be subject to any increase in its rate of assessment for the period 1998-2000 as a result of the gradual phasing out of the scheme of limits during that period;

3. Requests the Committee on Contributions to keep a number of issues relating to the scale methodology under review.